

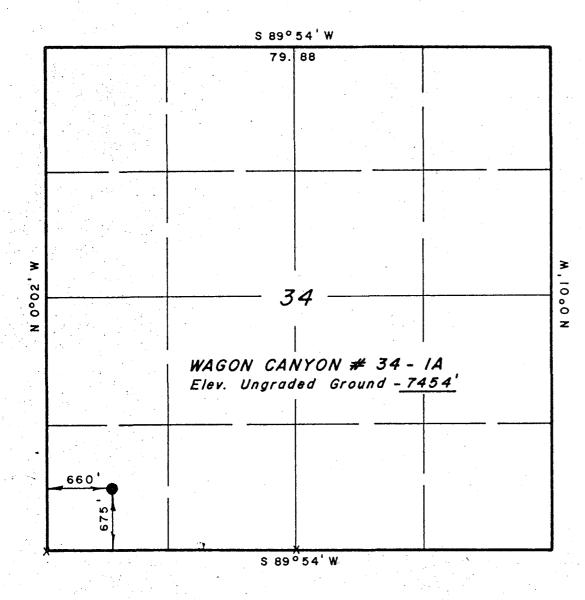
	approved		
Ruaget	Bureau	No.	42-R1425

5. LEASE DESIGNATION AND SERIAL NO.

UNITED STATES
DEPARTMENT OF THE INTERIOR

	GEOL	OGICAL SURVEY			U-46696
APPLICATION	N FOR PERMIT	TO DRILL, DE	EPEN, OR F	LUG BAC	6. IF INDIAN, ALLOTTEE OR TRIBE NAME
1a. TYPE OF WORK	ILL 🛚	DEEPEN [PL	UG BACK	Ute Tribal 7. UNIT AGREEMENT NAME
WELL W	AS OTHER		SINGLE ZONE	MULTIPLE ZONE	Hill Creek Extension 8. FARM OR LEASE NAME
2. NAME OF OFERATOR	7				Wagon Canyon 9. WELL NO.
Del-Rio Drill 3. ADDRESS OF OPERATOR	ing Programs,	Inc.			34-1A
448 East 4th 4. LOCATION OF WELL (F	South, Suite 2 teport location clearly as	03 S.L.C. I	Utah 841 ing State requireme	ll ents.*)	Wildcat
660' FWL 675 At proposed prod. zon					11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA
Wasatch and N 14. DISTANCE IN MILES	lesaverde	AREST TOWN OR POST O	FF1CE*		Sec. 34, T14S, R20E, SLI 12. COUNTY OF PARISH 13. STATE
48 Miles Sout	h of Ouray, Ut	ah			Uintah Utah
15. DISTANCE FROM PROP LOCATION TO NEARES PROPERTY OR LEASE (Also to nearest dri	T LINE, FT.	660'	6. NO. OF ACRES IN 2563.84	LEASE 17	. NO. OF ACRES ASSIGNED TO THIS WELL 40
18. DISTANCE FROM PROD TO NEAREST WELL, I OR APPLIED FOR, ON TE	POSED LOCATION* ORILLING, COMPLETED,		9. PROPOSED DEPTH	20	Rotary .
21. ELEVATIONS (Show wh	ether DF, RT, GR, etc.)		Mo	· · · · · · · · · · · · · · · · · · ·	22. APPROX. DATE WORK WILL START*
7454' GR.			·		June 15, 1983
23.		PROPOSED CASING	AND CEMENTIN	G PROGRAM	
SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING	DEPTH	
		_			
				:	DIV. OF OIL GAS & MINING
	See attache	d 10 point dri	APPROV		HESTATE
			OIL, GADATE: BY:	AS, AND	MINING Buyer
IN ABOVE SPACE DESCRIB zone. If proposal is to preventer program, if an	drill or deepen direction	f proposal is to deepen nally, give pertinent d	or plug back, give ata on subsurface	e data on present locations and m	nt productive zone and proposed new productive easured and true vertical depths. Give blowout
24.	Undark Cacok	TITLE	Vies /a	D . 18510000	DATE 5-3-83
(This space for Fed	eral or Style office use)				
PERMIT NO.			APPROVAL DAT	'E	
APPROVED BYCONDITIONS OF APPRO	VAL, IF ANY:	TITLE			DATE

T 14 S, R 20 E, S.L.B.&M.



X = Section Corners Located

PROJECT

DEL - RIO DRILLING PROGRAMS INCORPORATED

Well location, WAGON CANYON #

34 - /A, located as shown in the

SW 1/4 SW 1/4, Section 34, T 145,

R 20E, S.L.B.& M., Uintah County,

Utah.

CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR REGISTRATION Nº 2454

UINTAH ENGINEERING & LAND SURVEYING
POBOX Q - 85 SOUTH - 200 EAST
VERNAL, UTAH - 284078

SCALE	I" = 1000'		DATE 5/2/83	
PARTY	GS, RT	JH	REFERENCES GLO PLAT	
WEATHE	R FAIR		DEL - RIO	

Del-Rio Resources, Inc.
Wagon Canyon 34-1A
SW SW Sec. 34, T14S, R20E, SLM
Uintah County, Utah

DRILLING PLAN

- 1. The geologic name of the surface formation is the Tertiary Green River Formation.
- 2. Estimated tops of important geologic makers are as follows:

Wasatch Formation:	2330
Lower Wasatch:	3325
Mesaverde:	4450
Proposed T.D.:	5700

3. Oil or gas may be encountered in the Wasatch and Mesaverde Formations. No other formations are expected to produce water, oil, gas or other minerals in measurable quantities.

4.	Size of Hole	of Hole Size of Casing & Wt./ft.		Quantity of Cement	
	12 1/4"	8 5/8", 40.0#,new	300'	Circ of Surfa	
	7 7/8"	5 1/2",15.50#,new	5500'	440 sx.	

- 5. Operator's minimum specifications for pressure control equipment is a 10", 3000 psi hydraulic blowout preventor. Blowout preventor will be tested daily. Refer to Diagram "C".
- 6. Fresh water base drilling mud will be used for the entire drilling operations, utilizing a dispersed mud system to a total depth. Mud weight will be controlled by controlling drilling solids. Barite will be used for weighting material in the event that abnormal pressures are encountered. Total system volume will be 350 barrels, not including potential reserve pit volume.
- 7. Auxiliary equipment is as follows:
 - (1) Kelly Cocks
 - (2) Bit Floats
 - (3) A full opening-quick close drill pipe valve is to be located on the derrick floor at all times.

DRILLING PLAN, CONTD. Del-Rio Resources, Inc. SW SW Sec. 34, T14S, R20E, SLM Uintah County, Utah

Page Two

Commercial shows of oil and gas will be tested. We are anticipating drill stem tests in the Wasatch and Mesaverde Formations. No coring is anticipated.

The logging program is as follows:

(1) Mud logging unit: from 300' to T.D.(2) Dual Induction Laterlog-T.D. to base of surface casing.

- (3) BHC-Gamma Ray Sonic w/Caliper, Intergrated T.D. to base of surface casing.
- (4) Formation Density/Compensated Neutron: Zones of interest.
- No abnormal pressures or temperatures are anticipated. No potential hazards such as hydrogen sulfide are expected, based upon well experience in area.
- 10. The anticipated starting date: May 1, 1983.

Exploration Manager

Salt Lake City, Utah March 23, 1983

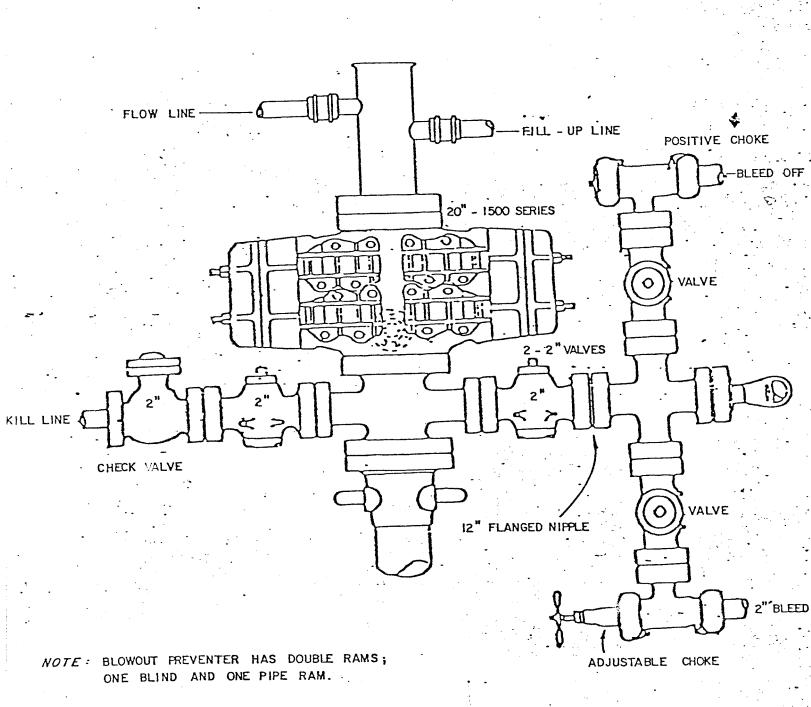


DIAGRAM "C" - B.O.P.

DEL-RIO DRILLING PROGRAMS, INCORPORATED 13 Point Surface Use Plan

for

Well Location

Wagon Canyon #34-1A

Located In

Section 34, T14S, R20E, S.L.B.& M.

Uintah County, Utah

1. EXISTING ROADS

See attached Topographic Map "A".

To reach DEL-RIO DRILLING PROGRAMS, INCORPORATED, well location site Wagon Canyon #34-1A. located in the SW 1/4 SW 1/4 Section 34, T14S, R2OE, S.L.B.& M., Vernal, Utah:

Froceed Westerly out of Vernal, Utah on U.S. Highway 40-14 miles to the exit of Utah State Highway 209; proceed Southerly on this highway \pm 7.5 miles to the junction of this highway and Utah State Highway 88; proceed along Southerly on this highway \pm 10.0 miles to Ouray, Utah; proceed South out of Ouray, Utah, on the Seep Ridge Road \pm 8.0 miles to the point where the Willow Creek Road exits to the South; proceed Southerly on the Willow Creek Road \pm 22.4 miles to the point where an improved dirt road exits to the Southwest; proceed Southwesterly on this road \pm 17.4 miles to the point where the planned access road (to be discussed in Item #2) leaves the existing road and proceeds in a Northwesterly direction to the proposed location site.

The Highways mentioned above are bituminous surfaced roads to the Seep Ridge Road at which point all roads are dirt and are constructed of native materials acquired during construction. These materials range from a sandy-clay material to a sandstone and shale material with some gravel.

There is no anticipated construction on any portion of the above described roads. They will meet the necessary standards required to facilitate an orderly flow of traffic during the drilling phase, completion phase, and production phase, of this well at such time that production is established.

The roads that are required for access during the drilling phase, completion phase, and production phase of this well will be maintained at the standards required by the B.I.A. or other controlling agencies.

2. PLANNED ACCESS ROAD

See Topographic Map "B".

The proposed access road leaves the existing road described in Item #1 in the NW 1/4 NW 1/4 Section 3, T15S, R2OE, S.L.B.& M. and proceeds in a Northwesterly direction approximately 0.3 miles to the proposed location site.

In order to facilitate the anticipated traffic flow necessary to drill and produce this well, the following standards will be met:

The proposed road will be an 18' crown road (9' either side of the centerline) with drain ditches along either side of the proposed road where it is determined necessary in order to handle any run-off from normal meterological conditions that are prevalent to the area.

Back slopes along the cut areas of the road will be 1 1/2 to 1 slopes and terraced.

There will be no culverts required along this access road.

There will be no turnouts required along this access road.

The road will be centerline flagged prior to the commencement of construction.

Any fences that are encountered along this access road will be cut and replaced with a cattleguard having a minimum width of 18' and a loading factor large enough to facilitate the heavy trucks required in the drilling and production of this well.

If cattleguards are to be located at existing gates, they will installed with the above requirements and with a new gate installed at one end of the cattleguard.

The access from the road to the gate will be of such a nature that there will be not impedance of traffic flow along the main access road and not difficulties encountered by traffic utilizing the gate either leaving or entering the proposed access road.

All lands involved on this action are under Ute Tribal jurisdiction.

The terrain that is traversed by this road is relatively flat and is vegatated with sagebrush and grasses.

3. EXISTING WELLS

See topographic Map "B".

There are no known water wells, disposal wells, drilling wells, shut in wells, injection, monitoring or observation wells, for other resources within a one mile radius of this location site.

There is however, one abandoned well and one producting well within a one mile radius of this location site.

4. LOCATION OF TANK BATTERIES, PRODUCTION FACILITIES, AND PRODUCTION GATHERING AND SERVICE LINES

At the present time there are no known DEL-RIO DRILLING PROGRAMS, INCORPORATED producing well locations within a one mile radius of this location site.

At the present time there are no gas gathering lines, injection or disposal lines within a one mile radius of this location site belonging to DEL-RIO DRILLING PROGRAMS, INCORPORATED.

In the event that production of oil from this well is established, plans for a flowline from this location to existing lines in the area will be submitted to the proper authorities and the existing area of the location will be utilized for the establishment of the necessary production facilities.

The total area that is needed for the production of this well will be fenced and cattleguards will be utilized for access to these facilities.

Page 2

If there is any deviation from the above, all appropriate agencies will be notified.

The rehabilitation of the disturbed area that is not required for the production of this well, will meet the requirements of Item #10 and these requirements and standards will be adhered to.

5. LOCATION AND TYPE OF WATER SUPPLY

See Topographic Map "B".

Water to be used for the drilling of this well will be hauled by truck from Towave Reservoir located in Section 25, T14S, R19E, S.L.B.& M. Water will be hauled over the existing roads and the proposed access road approximately 4.7 miles to the proposed location site.

In the event this is not a suitable source an alternate source will be decided upon and all concerned agencies will be notified.

There will be no water well drilled at this location site.

6. SOURCE OF CONSTRUCTION MATERIALS

All construction material for this location site and access road shall be borrow material accumulated during construction of the location site and access road. No additional road gravels or pit lining material from other sources are anticipated at this time, but if they are required, the appropriate actions will be taken to acquire them from private sources.

All surface disturbance area is on Ute Tribal Lands.

7. METHODS OF HANDLING WASTE DISPOSAL

See Location Layout Sheet.

A reserve pit will be constructed.

The reserve pit will be approximately 8' deep and at least one half of this depth shall be below the surface of the existing ground.

One half of the reserve pit will be used as fresh water storage area during the drilling of this well and the other one half will be used to store non-flammable materials such as cuttings, salts, drilling fluids, chemicals produced fluids, etc.

If deemed necessary by the agencies concerned, to prevent contamination to surrounding areas, the reserve pits will be lined with a gel.

The pits will have wire and overhead flagging installed at such time as deemed necessary to protect the water fowl, wildlife, and domestic animals.

At the onset of drilling, the reserve pit will be fenced on three sides and at the time the drilling activities are completed, it will be fenced on the fourth side and allowed to dry completely prior to the time that backfilling and reclamation activities are attempted.

When the reserve pit dries and the reclamation activities commence, the pits will be covered with a minimum of four feet of soil and all requirements of Item #10 will be followed.

All garbage and other waste material will be contained in a trash basket made of small mesh wire and will be taken to the nearest sanitary landfill for disposal upon completion of the well.

A portable chemical toilet will be supplied for human waste.

8. ANCILLARY FACILITIES

There are no ancillary facilities planned for at the present time and none foreseen.

9. WELL SITE LAYOUT

See attached Location Layout Sheet.

The B.I.A. District Manager shall be notified before any construction begins on the proposed location site.

As mentioned in Item #7, the pits will unlined unless it is determined by the representatives of the agencies involved that the materials are too porous and would cause contamination to the surrounding area; then the pits will be lined with a gel and any other type of material necessary to make it safe and tight.

When drilling activities commence, all work shall proceed in a neat and orderly sequence.

10. PLANS FOR RESTORATION OF SURFACE

As there is some topsoil on the location site, all topsoil shall be stripped and stockpiled. When all drilling and production activities have been completed, the location site will be reshaped to the original contour and stockpiled topsoil spread over the disturbed area.

Any drainages re-routed during the construction activities shall be restored to their original line, of flow as near as possible. Fences around pits are to be removed upon completion of drilling activities and all waste being contained in the trash pit shall be buried with ;a minimum of 4′ of cover.

As mentioned in Item #7, the reserve pits will be completely fenced with wire and overhead flagging installed if there is oil in the pits, and then allowed to dry completely before covering.

Restoration activities shall begin within 90 days after completion of the well. Once completion activities have begun, they shall be completed within 30 days.

When restoration activities have been completed the location site and access ramp shall be reseeded with a seed mixture recommended by the B.I.A. District Manager when the moisture content of the soil is adequate for germination. The Lessee futher convenants and agrees that all of said clean-up and restoration activities shall be done and performed in a diligent and most workmanlike manner, and in strict conformity with the above mentioned Item #7 and #10.

11. OTHER INFORMATION

The Topography of the General Area - (See Topographic Map "A")

The area slopes from the rim of the Book Cliff Mountains to the South to the Green River to the North, and is a portion of the Roan Plateau. The area is interlaced with numerous canyons and ridges which are extremely steep with numerous ledges formed in sandstone, conglomerate, and shale deposits.

The majority of the washes and streams in the area are non-perennial in nature with the only two in the area having a year round flow being Willow Creek to the East and Hill Creek to the West, of which the numerous washes, draws and non-perennial streams are tributaries.

All drainages in the immediate areas are non-perennial streams, flowing to the Southwest and are tributaries to Hill Creek.

The majority of the numerous drainages in the surrounding area are of a non-perennial nature flowing only during the early spring run-off and during extremely heavy rain storms of relatively long duration. This type of storm is rather uncommon as the normal annual precipitation is around 8".

The soils of this semi-arid area are of the Green River Formation from the Eccene Epoch (Tertiary Period) and the visiable geologic structures of light brownish-gray clays (OL) to sandy soils (SM-ML) with poorly graded gravels and shales with outcrops of rock (sandstone, mudstone, conglomerate and shale).

Due to the low precipitation average, climatic conditions and the marginal types of soils, the vegetation that is found in the area is common of the semi-arid region we are located in and in the lower elevations of the Uinta Basin. It consists of, as primary flora, ceder and juniper trees, areas of sagebrush, rabbitbrush, some grasses and cacti, and large areas of bare soils devoid of any growth. In the areas in the vicinity of perennial streams, cottonwoods, willows, tamarack, sagebrush, rabbitbrush, grasses, and cacti can be found.

The fauna of the area consists predominantly of the mule deer, pronghorn antelope, coyotes, rabbits, and varieties of small ground squirrels and other types of rodents, and various reptiles common to this area.

The birds of the area are raptors, finches, ground sparrows, magpies, crows, and jays.

The area is used by man for the primary purpose of grazing domestic livestock.

The Topography of the Immediate Area - (See Topographic Map "B").

Wagon Canyon #34-1A is located on the top portion of a large mesa known as Flat Rock Mesa. This mesa extends in a Northwest-Southeast direction and the sides are relatively steep.

The majority of the drainages in the area around this location are non-perennial in nature and run in a Southwesterly direction into Hill Creek, which is located approximately 3.5 miles Southwest of the proposed location site.

The geologic structure of the area immediately surrounding the location site is of the Green River Formation and consists of light brownish-gray sandy clay with some sandstone outcrops.

The terrain in the vicinity of the location site slops from the Southeast through the location site to the Northwest at approximately a 5.0% grade.

The vegetation in the immediate area surrounding the location site is predominatly sagebrush and grasses.

All lands disturbed by this location site and road are under B.I.A. jurisdiction.

There are no occupied dwellings or other facilities of this nature or any visible archeological, historical, or cultural sites in the general area.

12. LESSEE'S OR OPERATOR'S REPRESENTATIVE

Larry Caldwell 448 East 4th South, Suite 203 Salt Lake City, UT 84111

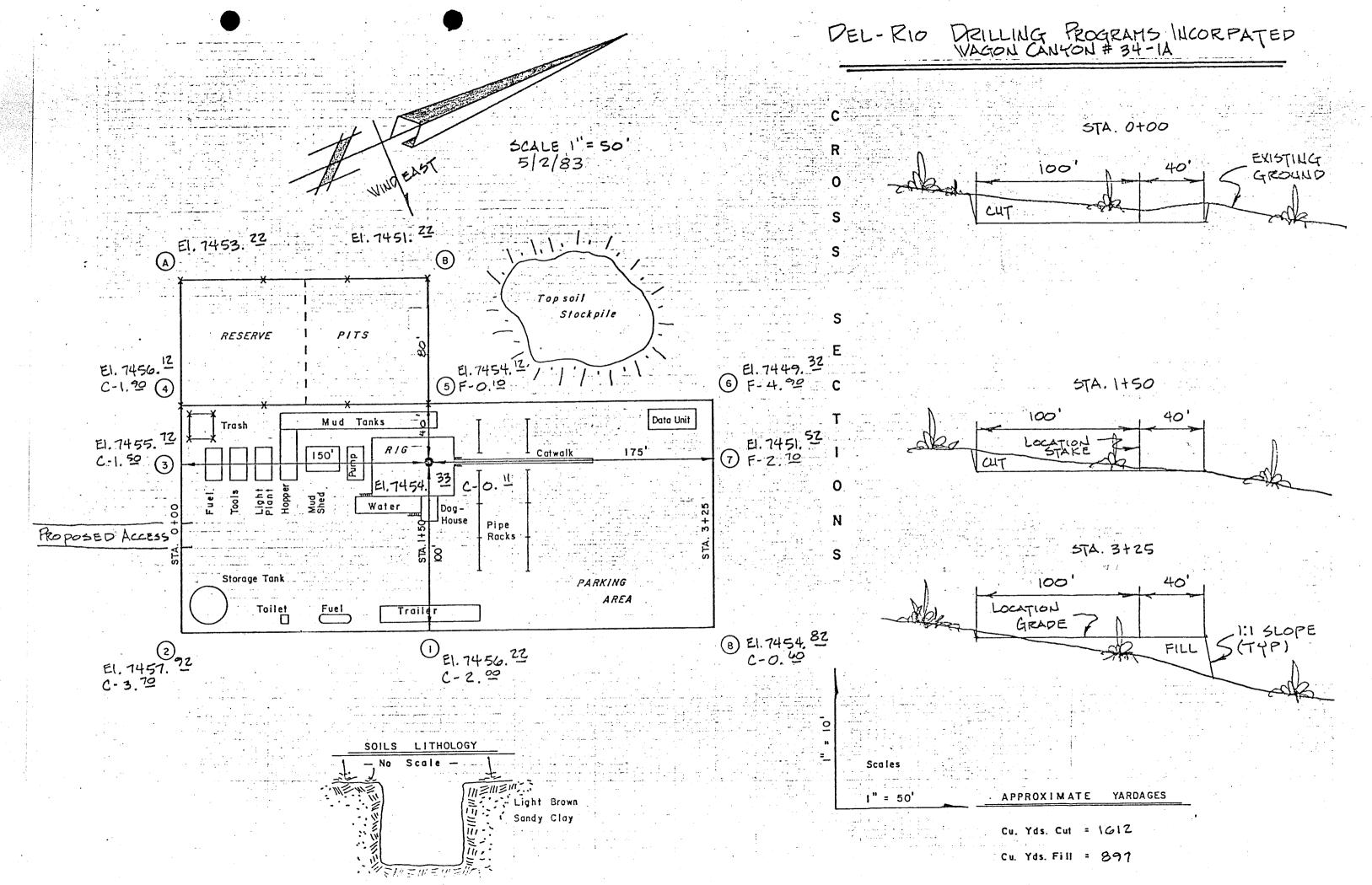
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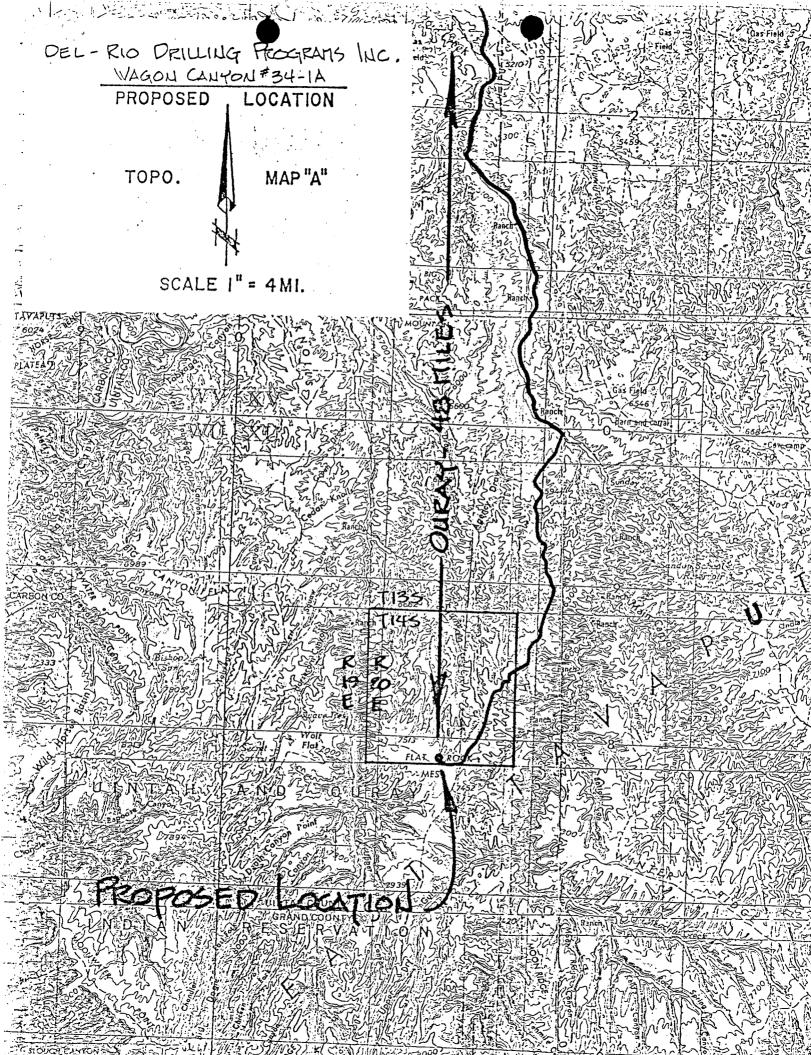
13. CERTIFICATION

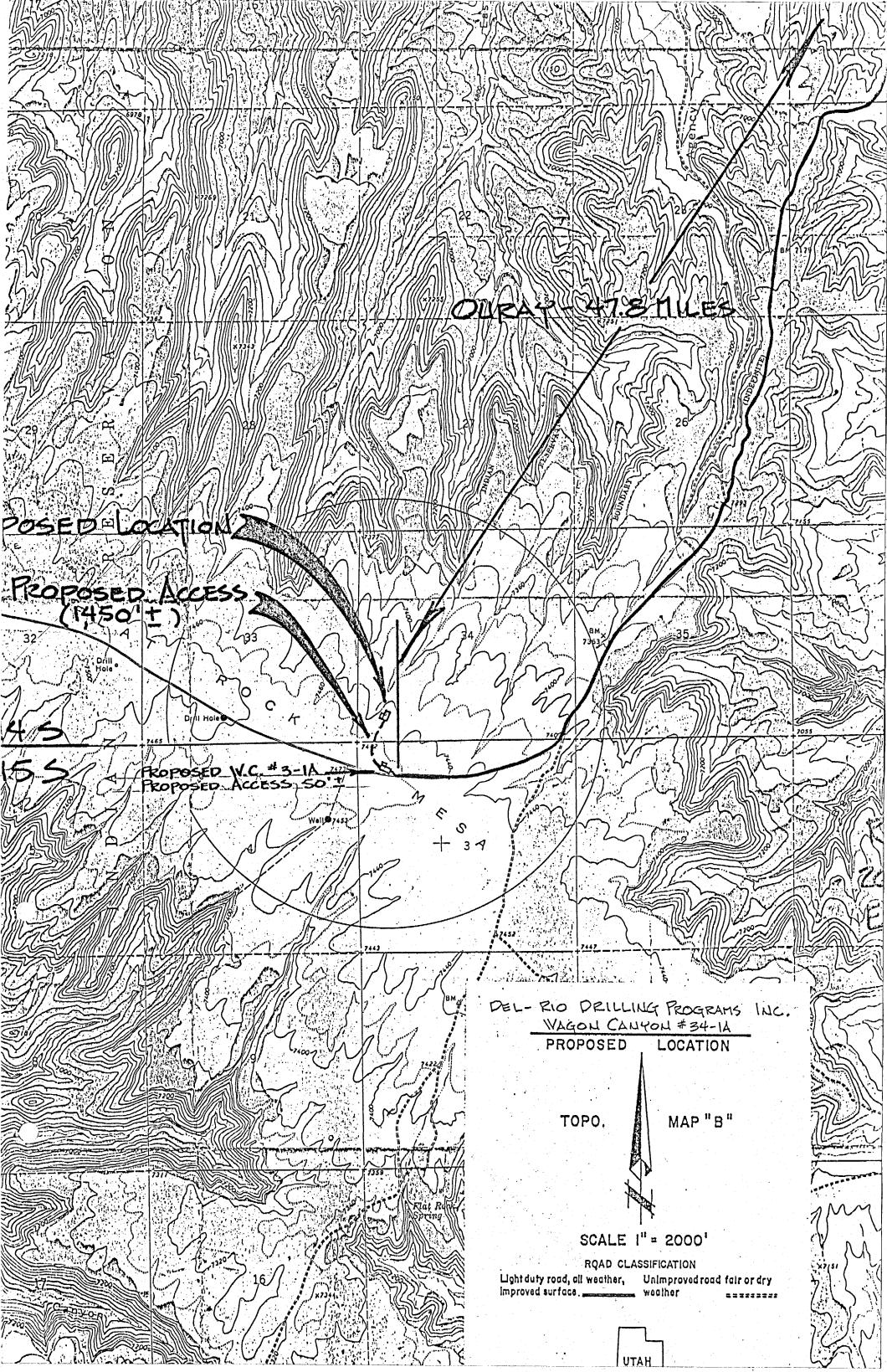
I hereby certify that I, or persons under my direct supervision have inspected the proposed drill site and access route; that I am familiar with the conditions which presently exist; that the statements made in

this plan are to the best of my knowledge true and correct; and that the work associated with the operation proposed herein will be performed by DEL-RIO DRILLING PROGRAMS, INCORPORATED and its contractors and sub-contractors in conformity with this plan and the terms and conditions under which it is approved.

5/31/84 Date Larry Caldwell







DESIGNATION OF OPERATOR

The undersigned is, on the records of the Eureau of Land Management, holder of lease

DISTRICT LAND OFFICE:

Salt Lake City, Utah

SERIAL No.: U-46696

and hereby designates

NAME:

Del-Rio Resources Inc.

ADDRESS:

448 East 400 South

Salt Lake City, Utah 84111

as his operator and local agent, with full authority to act in his behalf in complying with the terms of the lease and regulations applicable thereto and on whom the supervisor or his representative may serve written or oral instructions in securing compliance with the Operating Regulations with respect to (describe acreage to which this designation is applicable):

Township 14 South, Range 20 East, S.L.M.

Section 34: ALL

Township 15 South, Range 20 East, S.L.M.

Section 3: ALL

Section 4: ALL

Section 5: ALL

Containing 2563.84 acres, more or less

Located in Uintah County, Utah

It is understood that this designation of operator does not relieve the lessee of responsibility for compliance with the terms of the lease and the Operating Regulations. It is also understood that this designation of operator does not constitute an assignment of any interest in the lease.

In case of default on the part of the designated operator, the lessee will make full and prompt compliance with all regulations, lease terms, or orders of the Secretary of the Interior or his representative.

The lessee agrees promptly to notify the supervisor of any change in the designated operator.

TENNECO OIL COMPANY

(Signature of lossee)
P.W. Cavce. Jr. Attorney-In-Fac

P.O. Box 3249, Englewood, CO 80155

(Address)

May 8, 1984

E. S. COVERNMENT PRINTING DEFICE 10-53598-3

OPERATOR Del Rio Dullin	ia Programs	DATE <u>6.8.84</u>
WELL NAME Wagan Canks	m 34-14	
SEC EWSW 340 T 145	R $2\partial E$ COUNTY	Uintak
43-047-314-90 API NUMBER	Fed	PE OF LEASE
POSTING CHECK OFF:	,	
INDEX	HL	
NID	PI	
MAP		
PROCESSING COMMENTS:	rs gas well be	Casase of Wagon Canyon 4-1, (150 20E 4)
Needs Water No Oil Wells	within 1000	
APPROVAL LETTER:	·	
SPACING: A-3 UNIT	c-3	-aCAUSE NO. & DATE
c-3-b	c-3	-c
SPECIAL LANGUAGE:		
1. Water		

•

RECONCILE WELL NAME AND LOCATION ON APD AGAINST SAME DATA ON PLAT MAP
AUTHENTICATE LEASE AND OPERATOR INFORMATION
VERIFY ADEQUATE AND PROPER BONDING
AUTHENTICATE IF SITE IS IN A NAMED FIELD, ETC.
APPLY SPACING CONSIDERATION
ORDER
UNIT
c-3-b
c-3-c
CHECK DISTANCE TO NEAREST WELL.
CHECK OUTSTANDING OR OVERDUE REPORTS FOR OPERATOR'S OTHER WELLS.
IF POTASH DESIGNATED AREA, SPECIAL LANGUAGE ON APPROVAL LETTER
IF IN OIL SHALE DESIGNATED AREA, SPECIAL APPROVAL LANGUAGE.

June 8, 1984

Del-Rio Drilling Programs, Inc 446 East 4th South, Suite 203 Salt Lake City, Utah 84111

> RE: Well No. Wagon Canyon 34-1A SWSW Sec. 34, T. 14S, R. 20E 675' FSL, 660' FWL Uintah County, Utah

Gentlemen:

Approval to drill the above referenced oil well is hereby granted in accordance with Rule C-3 (b), General Rules and Regulations and Rules of Practice and Procedure, subject to the following stipulation:

 Prior to commencement of drilling, receipt by the Division of evidence providing assurance of an adequate and approved supply of water.

In addition, the following actions are necessary to fully comply with this approval:

- 1. Speeding notification to the Division within 24 hours after drilling operations commence.
- 2. Substitual to the Division of completed Form CCC-8-X, Report of Water Encountered During Drilling.
- 3. Prompt notification to the Division should you determine that it is necessary to plug and abandon this well. Notify R. J. Firth, Associate Director, Telephone (801) 533-5771 (Office), 571-6068 (Nome).
- 4. Compliance with the requirements and regulations of Rule C-27, Associated Gas Flaring, General Rules and Regulations, Oil and Gas Conservation.

Del-kio Drilling Programs Well No. Wagon Canyon 34-1A June 8, 1984 Page 2

5. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 42-047-31490.

Sincerely,

2. J. Firth

Associate Director, Oil & Cas

RJF/gl

cc: Branch of Fluid Minerals

Enclosures

...**-r**

SUBMIT IN TR (Other instruct reverse side) s on UNITED STATES

CATE.

Form approved. Budget Bureau No. 42-R1425.

DEPARTMENT OF THE INTERIOR					5. LEASE DESIGNATION	AND SERIAL NO.
GEOLOGICAL SURVEY				<u>U-46696</u>	An ======	
APPLICATION FOR PE	RMIT TO DRILL,	DEEPE	N, OR PLUG	BACK	6. IF INDIAN, ALLOTTEE	OR TRIBE NAME
DRILL X	DEEPEN		PLUG BA	ck 🗆	Ute Tribal 7. UNIT AGREEMENT NA	ME
b. TYPE OF WELL					Hill Creek	Extension
OIL GAS WELL Z 2. NAME OF OPERATOR	OTHER	ZON	GLE MULT ZONE	IPLE X	8. FARM OR LEASE NAM	E
					Wagon Canyon	n
Del-Rio Drilling Progra 3. Address of Operator	ams, inc.			<u> </u>	34-1A	•
448 East 4th South, Sur 4. LOCATION OF WELL (Report location of	ite 203 S.L.C.	Utah	84111		10. FIELD AND POOL, O	R WILDCAT
4. LOCATION OF WELL (Report location cl	learly and in accordance wi	th any St	ate requirements.*)	•	Wildcat	
660' FWL 675' FSL At proposed prod. zone					11. SEC., T., R., M., OR E AND SURVEY OR AR	ek. Ea
Wasatch and Mesaverde 14. DISTANCE IN MILES AND DIRECTION R	TOOK NEEDER TOUTH OF TOO			 	Sec. 34, T14S	, R20E, SL
		ST OFFICE	•		12. COUNTY OR PARISH	
48 Miles South of Ouray 15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST	y, utan	16. NO.	OF ACRES IN LEASE		Uintah OF ACRES ASSIGNED	l Utah
PROPERTY OR LEASE LINE, FT. (Also to nearest drig, unit line, if an	ny) 660'	2	563.84	TO T.	HIS WELL 40	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLE			POSED DEPTH	20. ROTA	BY OR CABLE TOOLS	
OR APPLIED FOR, ON THIS LEASE, FT. 21. ELEVATIONS (Show whether DF, RT, G)	1400+	5	700 '		Rotary	
7454 GR.	r, etc.)				June 15, 198	
23.	PROPOSED CASI	NG AND	CEMENTING PROG	RAM	Julie 15, 190	<u> </u>
SIZE OF HOLE SIZE OF CA			SETTING DEPTH	· · · · ·	QUANTITY OF CEMEN	· · · · · · · · · · · · · · · · · · ·
SIZE OF HOLE	W DIGHT TOKE	-	SEI LING DEFIN	RECI	FIVED	
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IN ABOVE SPACE DESCRIBE PROPOSED PROG						
zone. If proposal is to drill or deepen preventer program, if any.	directionally, give pertinen	it data on	subsurface locations	and measure	d and true vertical depto	s. Give blowout
24.			11.0			
SIGNED T. / Juckar	scoker TI	TLE	LES TRESIPO	as,	DA (E5-3-	83
(This space for Federal or State office	ce use)					
PERMIT NO.			APPROVAL DATE			,
	01		ASSOCIATE			01
APPROVED BY CONDITIONS OF APPROVAL, IF ANY:	Word I	TLE	DISTRICT MAN	AGIOR	DATE O	376

COMMITIONS OF APPROVAL ATTACHES TO CHEMATICA & COPY

NOTICE OF APPROVAL

VERNAL 117-120-4-11-214

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Company	Del-Ric	Drillir	ng Programs, I	Inc.		Well No.	34-1A	
Location _	Sec.	34	T 14S	R	20E	_ _ Lease No.	U-46696	
Onsite Ins	spection	Date	N/A	٠				

- 1. All fresh water and prospectively valuable minerals encountered during drilling will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.
- 2. Adequate and sufficient electric/radioactive logs will be run to locate and identify the prime oil shale horizons (and gilsonite or saline minerals) in the Green River formation. Casing and cementing programs will be adjusted to eliminate any potential influence of the well bore or productive hydrocarbon zones on the oil shale (and gilsonite or saline minerals) resources, i.e. cement should be circulated from the base to the top of the Mahogany zone to protect the oil shale resources. Surface casing program may require adjustment for the protection of fresh water aquifers in the upper Green River formation.
- 3. BOP systems will be consistent with API RP 53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented into place. Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The ram-type preventer will be pressure tested to a minimum pressure of $1,000~\mathrm{psi}$.

**Due to the lack of pressure data in this area, a hydril-type preventer will also be used. The hydril-type preventer (3000#) will be pressure tested to a minimum pressure of 1,000 psi.

The Vernal District Office will be notified, with sufficient lead time, in order to have a BLM representative on location during the pressure testing.

- 4. The Vernal District Office should be notified, with sufficient lead time, in order to have a BLM representative on location while running all casing strings and cementing.
- No chromate additives will be used in the mud system for wells on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

- 6. All reporting requirements as per Onshore Order No. 1 and Federal regulations will be met.
- 7. The spud date will be reported orally to the Vernal District Office within 48 hours after spudding. If the spudding occurs on a weekend or holiday, the spud will be reported on the following regular work day. The oral report will be followed up with a sundry notice.
- 8. No well abandonment operations shall commence without the prior approval of the authorized officer. In the case of newly drilled dry holes or emergencies, oral approval can be obtained.
- ***9. Approval of this APD does <u>not</u> constitute approval of the surface use plan. After all necessary permits/ROW's have been obtained from the BIA and/or Ute Tribe, Del-Rio will inform this office so that an onsite can be scheduled. Failure to do so will result in an immediate shut-in until all surface concerns have been studied and/or met.
 - 10. This approval is valid for a period of time not to exceed one year from the approval date. Should it be desired, yearly extensions to the approval can be granted when requested given a reasonable justification.

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- 6. Del-Rio Resources Programs, Inc. Still pending Well No. 34-1A
 Section 34, T14S, R20E
 Lease No. U-46696
- 7. Natural Gas Corp. of California Still pending Well No. Glen Bench Unit 33-19 Section 19, T8S, R22E Lease No. U-9617
- 8. Lomax Exploration Co. Well No. 10-16 Section 16, T5S, R4W Lease No. 14-20-H62-3413

Returned unapproved April 12, 1985

9. Kirby Exploration Co. Well No. Kirby Federal 5-25 Section 25, T1S, R19E Lease No. U-50180

Granted 1 year extension

10. Lomax Exploration Co. Spud June 28, 1985 Well No. Sowers Canyon Ute Tribal 1-9 Section 9, T5S, R4W Lease No. 14-20-H62-3525

Sincerely,

Craig M. Hansen
ADM for Minerals

VERNAL DISTRICT OFFICE

BADGER OIL CORPORATION Eula Ute 3-16A1 Sec. 16, T. 1S, R. 1W, Duchesne County, Utah API NO. 43-013-31161

DELRIO DRILLING PROGRAMS
Wagon Canyon 3-1A
Sec. 3, T. 15S, R. 20E,
Uintah County, Utah
API NO. 43-047-31491

Wagon Canyon 4-1A Sec. 4, T. 15S, R. 20E, Uintah County, Utah API NO. 43-47-31492

Wagon Canyon 5-1A Sec. 5, T. 15S, R. 20E, Uintah County, Utah API NO. 43-047-31493

Wagon Canyon 34-1A Sec. 34, T. 14S, R. 20E, Uintah County, Utah API NO. 43-047-31490 - see attached single see the

The SOP on these of wells terminated 1/31/87, so there was inothing they could do until them. Therefore, we are waiting until Jan, 1988 to do anything





Form 1542-4 (April 1976) (formerly 4-1123)

UNITED STATES DEPARTMENT CONHE INTERIOR BUREAU OF LAND MANAGEMENT

ROUTING AND TRANSMITTAL SLIP

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CODE	NAME	,iè	ORGANI- ZATION	ACTION	ROOM NO.	
	John Bana					
	John Bana DOGM					

Indicate Action by Number

- 1. Necessary action
- 2. Approval
- 3. Signature
- 4. Prepare reply
- 5. Your comment and return

- 6. Note and surname
- 7. Note and return
- 8. Your information
- 9. See me
- 10.

From Margie Herry	Date / 28/8"	Room No.
Office Grnal Dis	trict	Phone

Remarks



DIVISION OF OIL, GAS & MINING

6-8-87 Tauri, on these wells are effectively extended until San. 1988. We will just hold these until them. The.

SRB

February 18, 1988

Del-Rio Drilling Programs, Inc. 448 E. 4th South, Suite 203 Salt Lake City, Utah 84111

Re: Rescind Application for Permit to Drill Well No. 34-1A Section 34, T.14S., R.20E. Uintah County, Utah Lease No. U-46696

The Application for Permit to Drill the referenced well was approved on January 23, 1986, and the Suspension of Operations terminated on January 31, 1987. Since that date, no known activity has transpired at the approved location. Under current District policy, Applications for Permit to Drill are effective for a period of one year. In view of the foregoing, this office is rescinding the approval of the referenced application without prejudice. If you intend to drill at this location at a future date, a new Application for Permit to Drill must be submitted.

This office requires a letter confirming that no surface disturbance has been made for this drill site. Any surface disturbance associated with the approved location of this well is to be rehabilitated. A schedule for this rehabilitation must be submitted to this office. Your cooperation in this matter is appreciated.

Sincerely,

Craig M. Hansen Assistant District Manager for Minerals

bcc: State Div. 0 G & M well file U-922/942/943 EA AIRS

Mierrann: sa



Norman H. Bangerter, Governor Dee C. Hansen, Executive Director Dianne R. Nielson, Ph.D., Division Director

355 W. North Temple • 3 Triad Center • Suite 350 • Salt Lake City, UT 84180-1203 • 801-538-5340

dr.

030114

February 22, 1988

Del-Rio Drilling Program, Inc. 448 E. 4th South, Suite 203 Salt Lake City, Utah 84111

Gentlemen:

RE: Well No. Wagon Canyon 34-1A, Sec. 34, T. 14S, R. 20E, Uintah County, Utah, API NO. 43-047-31490

In concert with action taken by the U.S. Bureau of Land Management, approval to drill the above referenced well is hereby rescinded. A new Application for Permit to Drill must be filed with this office for approval, <u>prior</u> to future drilling of the subject location.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division of Oil, Gas and Mining immediately.

Sincerely,

Jøhn R. Baza

₱etroleum Engineer

sb

cc: BLM-Vernal

D. R. Nielson

R. J. Firth

Well file

0327T-23